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§157.213 or for sales for resale authorized under §157.210 in excess of an allowance of one cent per MMBtu shall be credited to Account No. 191 and flowed back to the certificate holder's customers.

- (2) A certificate holder is not required to credit revenues to Account No. 191 pursuant to paragraph (h)(1) of this section:
- (i) If representative levels of revenues attributable to such services have been credited in arriving at a test period cost of service; or
- (ii) If representative levels of volumes for such services have been included in billing determinants for the purposes of establishing rates.
- (3) The certificate holder may elect to forego the one cent per MMBtu allowance provided in paragraph (h)(1) of this section. If the certificate holder so elects, it is not required to credit to Account No. 191 any amount which, upon application, is demonstrated to represent the out-of-pocket expenses of the certificate holder in connection with a transaction authorized under this subpart.

[Order 234, 47 FR 24266, June 4, 1982, as amended by Order 234–A, 47 FR 38877, Sept. 3, 1982; Order 436, 50 FR 42490, Oct. 18, 1985]

§157.207 General reporting requirements.

On or before May 1, of each year, the certificate holder must file, in the manner prescribed in §§157.6(a) and 385.2011 of this chapter, an annual report signed under oath by a senior official of the company, that lists for the previous calendar year:

- (a) For each new facility authorized as by §157.208, the information specified in §157.208(e);
- (b) For each sales tap authorized under §157.211(a)(1), the information required by §157.211(c);
- (c) For each storage service authorized under §157.213(a), the information specified in §157.213(c):
- (d) For each storage project tested or developed under \$157.215, the information specified in \$157.215(b)(1);
- (e) For each abandonment authorized under §157.216(a), the information specified in §157.216(d);

- (f) For each change in rate schedule authorized under §157.217, the information specified in §157.217(b);
- (g) For each change in customer name authorized under §157.218, the information specified in §157.218(b); and
- (h) If any activity required to be reported under this section was not undertaken, a statement to that effect.

[Order 436, 50 FR 42490, Oct. 18, 1985, as amended by Order 493, 53 FR 15030, Apr. 27, 1988]

§157.208 Construction, acquisition, operation, and miscellaneous rearrangement of facilities.

- (a) Automatic authorization. If the project cost does not exceed the cost limitations set forth in column 1 of Table I, under paragraph (d) of this section, the certificate holder is authorized to (1) make miscellaneous rearrangements of any facility, or (2) acquire, construct, or operate any eligible facility.
- (b) Prior notice. If the project cost is greater than the amount specified in column 1 of Table I, but less than the amount specified in column 2 of Table I, the certificate holder is authorized to (1) make miscellaneous rearrangements of any facility, or (2) acquire, construct, or operate any eligible facility.
- (c) Contents of request. In addition to the requirements of §157.205(b), requests filed for activities described under paragraph (b) of this section shall contain:
- (1) A description of the purpose of the proposed facilities including their relationship to other existing or planned facilities:
- (2) A detailed description of the proposed facilities specifying length, diameter, wall thickness and maximum operating pressure for pipeline; and for compressors, the size, type, and number of compressor units, horsepower required, horsepower existing and proposed, volume of fuel gas, suction and discharge pressure and compression ratio;
- (3) A USGS 7½ minute series (scale 1:24000) topographic map (or map of equivalent or greater detail, as appropriate) showing the location of the proposed facilities, and indicating the location of any sensitive environmental

areas within one-quarter mile of project-related construction activities;

- (4) A map showing the relationship of the proposed facilities to the applicant's existing facilities;
- (5) A flow diagram or comparative study showing daily design capacity, daily maximum capacity and operating pressures with and without the proposed facilities for that portion of the certificate holder's system affected by the proposal;
- (6) Gas supply and market data or studies, or other circumstances, supporting the need for the proposed facilities
- (7) The estimated cost and method of financing the proposed facilities;
- (8) A statement clearly showing the effect on the certificate holder's operating revenues and operating expenses of the estimated revenues and expenses related to the proposed facilities;
- (9) A statement explaining how the public convenience and necessity requires the approval of the project;
 - (10) For acquisitions of facilities:
- (i) A statement referencing the date of issuance, docket number and title of the proceeding for any certificate issued by the Commission authorizing the facilities proposed to be acquired; and
- (ii) The amounts recorded in the accounts of the vendor (seller or lessor) that apply to the facilities proposed to be acquired and the accumulated provisions for depreciation, depletion, and amortization:
- (11) A concise analysis discussing the relevant issues outlines in appendix A of part 380 of this chapter. The analysis must identify the existing environmental conditions and the expected significant impacts that the proposed action, including proposed mitigation measures, will cause to the quality of the human environment, including impact expected to occur to sensitive environmental areas. When compressor facilities are proposed, the analysis must also describe how the proposed action will be made to comply with applicable State Implementation Plans developed under the Clean Air Act. The analysis must also include a description of the contacts made, reports produced, and results of consultations which took place to ensure compliance

with the Endangered Species Act, National Historic Preservation Act and the Coastal Zone Management Act.

(d) Limits and inflation adjustment. The limits specified in Tables I and II shall be adjusted each calendar year to reflect the "GNP implicit price deflator" published by the Department of Commerce for the previous calendar year. The Director of the Office of Pipeline and Producer Regulation is authorized to compute and publish limits for future calendar years as a part of Tables I and II, pursuant to §375.307(t) of this chapter.

TABLE I

	Limit	
Year	Auto. Project cost limit (col- umn 1)	Prior notice project cost limit (col- umn 2)
1982	\$4,200,000	12,000,000
1983	4,500,000	12,800,000
1984	4,700,000	13,300,000
1985	4,900,000	13,800,000
1986	5,100,000	14,300,000
1987	5,200,000	14,700,000
1988	5,400,000	15,100,000
1989	5,600,000	15,600,000
1990	5,800,000	16,000,000
1991	6,000,000	16,700,000
1992	6,200,000	17,300,000
1993	6,400,000	17,700,000
1994	6,600,000	18,100,000
1995	6,700,000	18,400,000
1996	6,900,000	18,800,000
1997	7,000,000	19,200,000
1998	7,100,000	19,600,000

- (e) Reporting requirements. For each facility completed during a calendar year pursuant to this section, the certificate holder shall file in the manner prescribed in §§157.6(a) and 385.2011 of this chapter as part of the required annual report under §157.207(a) the following information:
- (1) A description of the facilities installed pursuant to this section, including a description of the length and size of pipelines, compressor horsepower, metering facilities, taps, valves, and any other facilities constructed;
- (2) The specific purpose, location, and completion date of the facilities installed, and, if applicable, a statement indicating the extent to which the facilities were jointly constructed;
- (3) The actual installed cost of each facility item listed pursuant to paragraph (e)(1), separately stating the cost

of materials and labor as well as other costs allocable to the facilities;

- (4) The estimated gas supply in Mcf at 14.73 psia made available to the certificate holder by means of the described facilities;
 - (5) The names of the fields connected;
- (6) The specific location of the supply source or well attached if the attachment is for gas owned or produced by the certificate holder;
- (7) The names of the independent producers, other sellers or intrastate pipelines from whom the gas is being purchased or received, together with the respective dates of their gas sales or transportation contracts and any FERC authorization or gas rate schedule designations if the facility is to receive gas purchased by the applicant;
- (8) A description of the contacts made, reports produced, and results of consultations which took place to ensure compliance with the Endangered Species Act, the National Historic Preservation Act and the Coastal Zone Management Act;
 - (9) For acquisitions of facilities:
- (i) A statement referencing the date of issuance, docket number and title of the proceeding for any certificate issued by the Commission authorizing the facilities acquired; and
- (ii) The amounts recorded in the accounts of the vendor (seller or lessor) that apply to the facilities acquired and the accumulated provisions for depreciation, depletion, and amortization.
- (f) Special conditions. (1) For purposes of comparing the project cost of leased facilities with the per-project cost limitations in Table I of this section, the project cost of leased facilities shall be the annual lease charge multiplied by the number of years of the lease.
- (2) In the interest of safety and reliability of service, facilities authorized by the certificate shall not be operated at pressures exceeding the maximum operating pressure set forth in the request. In the event the certificate holder thereafter wishes to change such maximum operating pressure it shall file an appropriate request pursuant to the procedures set forth in §157.205(b). Such request shall include the reasons for the proposed change. Nothing contained herein authorizes the certificate

holder to operate any facility at a pressure above the maximum prescribed by State law, if such law requires a lower pressure than authorized hereby.

(g) If the actual cost of the project exceeds the per-project cost authorized under a blanket certificate in Table I of this section, the certificate holder shall apply to the Director of the Office of Pipeline and Producer Regulation for a waiver of those project cost limits.

[Order 234, 47 FR 24266, June 4, 1982, as amended by Order 486, 52 FR 47910, Dec. 17, 1987; Order 493, 53 FR 15030, Apr. 27, 1988; 56 FR 7565, Feb. 25, 1991; 57 FR 4717, Feb. 10, 1992; 58 FR 6893, Feb. 3, 1993; 59 FR 5947, Feb. 9, 1994; 59 FR 6658, Feb. 3, 1995; 59 FR 7821, Feb. 9, 1995; 61 FR 8213, Mar. 4, 1996; 62 FR 5914, Feb. 10, 1997; 63 FR 6477, Feb. 9, 1998]

§157.209 [Reserved]

§157.210 Sales for resale.

- (a) *Prior notice.* Subject to the notice requirements of §157.205, the certificate holder is authorized to sell natural gas in interstate commerce for resale, if:
- (1) The buyer is an interstate pipeline acquiring the gas for its system supplies;
- (2) The sale does not exceed a period of one year;
- (3) The certificate holder has a surplus of gas supplies that is in excess of the amount required to serve the certificate holder's existing on-system customers and that is at least equal to the volumes to be sold in the proposed transaction;
- (4) The sale is made at the higher of the certificate holder's:
- (i) System average load factor rate (based upon the rates in effect at the time the request is filed pursuant to §157.205); or
- (ii) Average section 102 gas acquisition cost (based upon the certificate holder's most recent purchased gas adjustment filing at the time the request is filed pursuant to §157.210);
- (5) The sale does not involve the sale of any natural gas acquired by the certificate holder solely or primarily for the purpose of making a sale under this section;
- (6) The buyer is not an interstate pipeline authorized to sell gas to the certificate holder during the duration of the sale;